

Message Text

LIMITED OFFICIAL USE

PAGE 01 RABAT 01502 131123Z
ACTION NEA-10

INFO OCT-01 ISO-00 H-01 EB-08 COME-00 TRSE-00 OMB-01
XMB-02 /023 W

-----088620 131527Z /41

R 131005Z MAR 78
FM AMEMBASSY RABAT
TO SECSTATE WASHDC 4809
INFO AMCONSUL CASABLANCA

LIMITED OFFICIAL USE RABAT 1502

EO 11652: NA
TAGS: BDIS MO
SUBJECT: CONGRESSIONAL INQUIRY ON BIDS TO GOM BY WILLIAM A. LANG

REF A. STATE 41260, B. RABAT 1402

1. EMBASSY AND CONSULATE GENERAL CASABLANCA HAVE LONG
EXPERIENCE WITH A WIDE VARIETY OF MR. LANG'S
ATTEMPTS AT BUSINESS VENTURES IN MOROCCO. FOLLOWING IS
BEST EMBASSY TRY TO TRACE HIS LATEST EFFORTS TO PUT
TOGETHER DEALS AS REQUESTED REF A.

2. MINISTRY OF COMMERCE OFFICIAL IN CHARGE OF CEMENT
PURCHASES STATED THAT MINISTRY NEVER RECEIVED MR. LANG'S
JANUARY 10, 1978 BID FOR 400,000 METRIC TONS OF CEMENT
AT \$43.00 PER TON. CONCERNING HIS EARLIER BIDS, EMBASSY
HAS NO INFORMATION QUOTE SUPPORTIVE OF HIS PRICES BEING
LOWER THAN THE PRICE AT WHICH THE GOVERNMENT WAS PURCHASING
CEMENT UNQUOTE. IF MR. LANG CAN DOCUMENT THAT HE
SUBMITTED THIS OR EARLIER BIDS AND THAT HIS PRICES
FOR COMPARABLE QUALITY ON SIMILAR DELIVERY AND CREDIT
TERMS WERE LOWER THAN THE PRICE AT WHICH THE GOVERNMENT
ACTUALLY PURCHASED CEMENT, WE WOULD BE HAPPY TO MAKE
ANOTHER APPROACH TO APPROPRIATE GOM OFFICIALS. IT IS
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 RABAT 01502 131123Z

ESSENTIAL, HOWEVER, BEFORE THE EMBASSY CAN RAISE SUCH
SERIOUS ALLEGATIONS THAT WE HAVE A SOLID AND WELL-
DOCUMENTED CASE.

3. THE ONLY TIME A MOROCCAN POST PROVIDED ANY INFOR-
MATION TO MR. LANG ON CEMENT PRICES WAS IN EARLY
DECEMBER 1977 WHEN THE CONSULATE GENERAL IN CASABLANCA

RECEIVED AN INQUIRY FROM MR. LANG AS TO WHETHER OR NOT 40 OR 45 DOLLARS PER METRIC TON WAS QUOTE IN THE BALL-PARK UNQUOTE FOR CEMENT. THE COMMERCIAL ASSISTANT CALLED A CONTACT IN THE CEMENT TRADE WHO CONFIRMED THAT SUCH A PRICE RANGE WAS REASONABLE. THIS INFORMATION WAS PASSED INFORMALLY TO MR. LANG. NEITHER MR. LANG'S REQUEST NOR THE CONSULATE'S RESPONSE CONTAINED ANY MENTION OF TYPE OR QUALITY OF CEMENT OR OF DELIVERY OR CREDIT TERMS.

4. FOUR CALLS FOR BIDS FOR CEMENT, TALLING ONE MILLION TONS, ARE PLANNED FOR 1978. THE FIRST, WHICH IS SCHEDULED FOR APRIL 5, 1978, IS FOR 150,000 METRIC TONS. LANG MAY BID IMMEDIATELY ON THIS TENDER BY CONTACTING THE MINISTRY OF COMMERCE AND INDUSTRY BY TELEX (TELEX NUMBER MCI 31816 DCI RABAT).

5. EMBASSY CONTACTED DIRECTOR GENERAL OF COMAGRI (GOM FARMING COMPANY) TO INQUIRE INTO STATUS OF LANG'S LIVE SHEEP AND CATTLE QUOTE BIDS UNQUOTE. ACCORDING TO DIRGEN, LANG WROTE HIM A LETTER ON OCTOBER 28 EXPRESSING INTEREST IN SUPPLYING COMAGRI WITH LIVE SHEEP AND CATTLE. COMAGRI WAS ONLY INTERESTED IN LIVE SHEEP IMPORTS DURING THE PERIOD IMMEDIATELY PRIOR TO THE MOSLEM FEAST OF THE LAMB ON NOVEMBER 22, WHEN MOST MOROCCAN FAMILIES RITUALY SLAUGHTER A SHEEP. COMAGRI HAD ALREADY CONTRACTED FOR LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 RABAT 01502 131123Z

ITS SHEEP REQUIREMENT FOR THIS OCCASION BY OCTOBER 28. AS 1977 WAS A BAD CROP YEAR IN MOROCCO AND COMAGRI'S REVENUES WERE LESS THAN PREDICTED, IT DECIDED TO POSTPONE PURCHASES OF LIVE CATTLE INDEFINITELY. (COPY OF MR. LANG'S OCTOBER 28 LETTER TO COMAGRI DIRGEN POUCHED TO NEA/AFN.)

6. EMBASSY CONTACTED DIRECTOR GENERAL OF NATIONAL LIVESTOCK DEVELOPMENT COMPANY (SNDE) CONCERNING MR. LANG'S QUOTE BID UNQUOTE TO THAT ORGANIZATION. IN RESPONSE TO A 22 PAGE BID DOCUMENT REQUIRING A DETAILED SUBMISSION INCLUDING, INTER ALIA, REFERENCES, DETAILS ON EXPERTS WHO WOULD ACTUALLY BE ASSIGNED TO PROJECT, AND A BANK GUARANTEE, MR. LANG SUBMITTED A ONE PAGE LETTER ON OCTOBER 7 EXPRESSING HIS INTEREST IN THE PROJECT, BUT CONTAINING NONE OF REQUIRED INFORMATION (COPY POUCHED TO NEA/AFN). DESPITE THE SUBMISSION'S DEFICIENCIES, THE DIRECTOR GENERAL OF SNDE WROTE TO MR. LANG ON DECEMBER 5 OFFERING TO MEET WITH HIM TO DISCUSS THIS PROJECT ON FRIDAY, DECEMBER 9. SINCE MR. LANG HAD DECIDED TO LEAVE MOROCCO ON DECEMBER 8, AND WAS UNWILLING TO CHANGE HIS TRAVEL PLANS IN LIGHT OF THE

DIRGEN'S OFFER TO SEE HIM, NO MEETING WAS HELD.
MR. LANG WROTE A ONE PAGE LETTER FROM LONDON ON JANUARY 3
TO DIRGEN EXPLAINING THAT APPOINTMENTS IN LONDON PREVENTED
HIM FROM ACCEPTING THE OFFER OF AN APPOINTMENT ON
DECEMBER 9 AND OFFERING HIS SERVICES TO SELECT POTENTIAL
US PARTNER FIRMS FOR SNDE AND TO ARRANGE A VISIT TO THE
US FOR THE DIRGEN TO CONTACT THEM (COPY BEING POUCHED NEA/AFN)
THIS WAS NOT THE OBJECT SPECIFIED IN SNDE BID TENDER. MR.
LANG REQUESTED AN INITIAL RETAINER OF \$25,000 FOR HIS SERVICES.
PER FOLLOW-UP TELCON BETWEEN EMBASSY AND DIRGEN MARCH 8,
LATTER NOTED THAT HE WAS NOT INTERESTED IN MR. LANG'S
JANUARY 3 PROPOSITION.

7. MINISTRY OF COMMERCE OFFICIAL IN CHARGE OF FROZEN
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 RABAT 01502 131123Z

BEEF AND POULTRY PURCHASES (FYI - SAME OFFICIAL ALSO
RESPONSIBLE FOR CEMENT NOTED IN PARA 2), REVIEWED MR. LANG'S
BIDS (SUBMITTED DECEMBER 7, 1977, BY TELEX FOLLOWED BY
TWO LETTERS) FOR THESE PRODUCTS, AND FOUND THAT LANG'S
PRICES WERE MUCH HIGHER THAN OTHER OFFERS. THIS CONTRACT
WAS AWARDED TO THE LOWEST BIDDER. IN THE FUTURE,
MINISTRY SUGGESTS THAT MR. LANG MAKE OPEN OFFER, EVEN
THOUGH THERE IS NO CURRENT CALL FOR BIDS, IN ORDER TO
GET HIS FIRM ON THE LIST OF REGULAR SUPPLIERS. CALLS
FOR BIDS ARE PUBLISHED ONLY ONE WEEK BEFORE CLOSING DATE.
WHEN THE MINISTRY DECIDES TO IMPORT, IT WILL CONTACT ALL
REGISTERED SUPPLIERS BY TELEX FOR UP-TO-DATE PRICES AND
CONDITIONS.

8. PER PARA 2, REF A, LETTER AND BACKGROUND DOCUMENTS
BEING POUCHED RABAT AND CASABLANCA HAVE NOT BEEN RECEIVED
EITHER POST.

9. FYI. RECENT \$325 MILLION LOAN MR. LANG REFERS TO AS
QUOTE OURS UNQUOTE IS IN POINT OF FACT A SYNDICATED
EURODOLLAR LOAN IN WHICH MANY US AND NON-US BANKS
PARTICIPATED ON COMMERCIAL TERMS.
MOFFAT

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 13 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978RABAT01502
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780111-0732
Format: TEL
From: RABAT
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780375/aaaacrj.tel
Line Count: 159
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: ac4674c8-c288-dd11-92da-001cc4696bcc
Office: ACTION NEA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 STATE 41260, 78 RABAT 1402
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3351946
Secure: OPEN
Status: NATIVE
Subject: CONGRESSIONAL INQUIRY ON BIDS TO GOM BY WILLIAM A. LANG
TAGS: BDIS, MO
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/ac4674c8-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014